GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:192
ANSWERED ON:06.05.2016
Digitalisation in the Banks
Chinnaraj Shri Gopalakrishnan

Will the Minister of FINANCE be pleased to state:

(a) the status of digitalisation in the Banking Sector;

(b) whether the Government has taken steps to ensure cent percent digital transactions in Banking Sector, if so, the details thereof;

(c) whether consumers are not so enthusiastic to avail these facilities on account of charges levied by banks on such transactions; and

(d) if so, the steps taken to promote consumer friendly banking in the country?

Answer

THE FINANCE MINISTER

(a) to (d) A Statement is laid on the Table of the House.

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Statement referred to in reply to parts (a) to (d) of Lok Sabha Starred Question No. *192 (12th Position) for 6th May, 2016 by Dr. C. Gopalakrishnan, MP, regarding "Digitalisation in the Banks"

a) Scheduled Commercial Banks (SCBs) have adopted Core Banking Solution (CBS) platform and this facility is being used by SCBs and their customers. All new bank branches are required to be opened in CBS platform only. This has enabled customers to go to any bank branch and get the desired services, by enabling interoperability of ATMs and Point of Sale (PoS) terminals across banks. Reserve Bank of India (RBI) is operating and managing centralized payment systems such as Real Time Gross Settlement (RTGS), National Electronic fund Transfer System (NEFT) and National Electronic Clearing Service (NECS). RBI has also authorized National Payment Corporation of India (NPCI) to operate Immediate Payment System (IMPS), National Automated Clearing House (NACH), Aadhaar Enabled Payment System (AEPS), Aadhaar Payments Bridge (ABPS), United Payment Interface (UPI) and also to launch card scheme (RuPay). RBI has given approval to 145 banks for launching mobile banking. RBI has informed that presently there are 172 direct members in NEFT and 188 in RTGS system. The status of payments systems in the country for last three years is given in Annexure.

b) to (d) The data in Annexure shows that while total paper based clearing has gone down in the last three years and total retail electronic payments have grown both in volume as well as in value. In order to safeguard the interest of the customers, RBI has been mandating the maximum amount which can be charged from the customers. For example, for transactions beyond the mandated limit of minimum number of free ATM transactions per month, banks can charge up to a maximum of Rs. 20 plus applicable service tax per ATM transaction. However, banks are free to offer more number of free transactions to their customers and/or levy charges below the prescribed upper limit of Rs. 20 plus applicable service tax per ATM transaction.
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